



United States
Department of
Agriculture

Food and
Consumer
Service

Mountain
Plains
Region

1244 Speer Boulevard
Denver, CO
80204-2581

Reply to
Attn of:

CACFP-621

MAY 18 2000

Subject:

Licensing/Approval in Family and Group Day Care Homes in
the Child and Adult Care Food Program (CACFP)

To:

STATE AGENCY DIRECTORS -
(Child Nutrition Programs)

Colorado DPHE, Iowa ED,
Kansas ED, Missouri DH,
Montana DPHSS, Nebraska ED,
North Dakota, South Dakota,
Utah, and Wyoming ED

As you know, the law and regulations governing CACFP require family and group day care homes to have current State or local licensing or approval in order to participate in the Program. Section 226.6(d) requires sponsoring organizations (SOs) to submit to the State Agency (SA) documentation that homes are in compliance with the licensing or approval requirement.

It has come to our attention that some State licensing agencies routinely issue licenses to family day care home providers that contain effective dates several months earlier than the issuance date. This memorandum provides flexibility to SAs and SOs of family day care homes in approving homes for CACFP participation under these circumstances.

When a provider that has been complying with all CACFP requirements receives a license/approval with an effective date earlier than the issuance date, the SA may permit the sponsor to claim CACFP reimbursement for that provider's meals and snacks served to enrolled children back to the effective date on the license. However, several conditions must be met:

- 1) The SO must have a signed agreement with the home provider permitting reimbursement only if a license is issued and be able to demonstrate compliance with all training and monitoring requirements for that home during the time period for which meals are being claimed. This includes a pre-approval visit, training for the provider, and a monitoring visit to the provider within the first 4 weeks of participation.
- 2) Claims may not be submitted until the SA has verified the licensed status of a home. This might occur through receipt of a hard copy or via electronic or written notification. It is the responsibility of the SO to supply the SA with the documentation.
- 3) SOs/SAs must submit claims within the framework of the 60/90 day guidance.

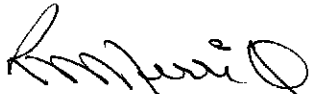
For example, a provider receives a home inspection visit from the State licensing authority in February 2000. During the same timeframe, the provider begins working with a CACFP SO. The SO conducts a pre-approval visit, provides training on Program requirements, and enters into an agreement with the provider contingent upon receipt of a child care license. In mid-March, the provider is notified by telephone by the licensing inspector that he/she passed the inspection and background checks and that the licensing authority expects to issue a child care license effective sometime in March. All CACFP requirements are being met as of March 1, including appropriate meal service and recordkeeping by the provider and training and monitoring by the sponsor. The provider receives his/her license on May 20, 2000, with an effective date of March 15, 2000. He/she notifies his/her CACFP SO and submits a copy of the license. Once the SO verifies that all records are in place, the SO submits two revised claims—one for March and one for April to include this provider's meals and snacks for the period March 15 through April 30. (The provider submits a regular claim for meals and snacks served in May.)

In the above example, if the provider had received his/her license on June 20, 2000, with an effective date of March 15, 2000, meals could only be claimed for that provider back to April 1 since the 60-day deadline had passed.

Please note that States are not obligated to implement this guidance. We encourage each SA consider the burdens involved in their own State licensing procedures before deciding whether or not to follow this procedure.

In addition, a SO is not obligated to sponsor a day care home with a license pending. Organizations which choose to sponsor providers waiting for the State license/approval have the same responsibility to train and monitor these providers as with any Program participant.

Contact our office at (303) 844-0359 if you have any questions.



RALPH W. MERRILL
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Child Nutrition Programs